

Makes stops in Skokie, Evanston, Park Ridge, Morton Grove, Norridge, Chicago

CHICAGO, IL (August 16, 2010) – Rep. Jan Schakowsky (D-IL) toured a number of small businesses in Illinois' 9th Congressional District, which she represents, and met with owners and employees to discuss how they're handling the economic downturn. The small businesses represented a number of industries and trades including technology, manufacturing, construction and retail. Along with Judith Roussel, Illinois District Director of the Small Business Administration, the Congresswoman listened to small business owners talk about the challenges they face and the adjustments they're making to weather the bad economy. On Thursday Schakowsky and Roussel visited Block Steel and Samson Rolled Products in Skokie; JADE Carpentry Contractors in Chicago's Edison Park; RealNets and **Bredemann Chevrolet** in Park Ridge; Produce World Deli & More in Morton Grove; **Rex Pasta Catering & Italian Deli in Norridge**; and the **Technology Innovation Center in Evanston, which included visits with small tech firms:** Precision Biomarker, Psylotech, NewMerica, Illumen Group, Atmosphere Communications, ReCor Corp., e-Marketing Logic, Taishan Works and Ferveo Technology.

"I have an incredible amount of respect for small business owners in Illinois' 9th Congressional District," said Schakowsky. "Spending the day listening to several of them and touring their facilities, it's immediately clear that collectively, they are dealing with a lot of pain right now—from revenue down steeply in some cases, to the need to lay off employees and the diminished demand for their services compared to years past.

"That said I was deeply impressed by the resiliency, creativity and grit on the part of these small business owners. Many of them are family businesses, and all of them clearly know how to band together and innovate in the name of the operation's survival.

"But the Great Recession is not over, and Congress and the Administration need to keep up the fight for these businesses that make up the real engine of our economy. I wanted to hear their needs and make sure that they are aware of some of the assistance programs available, from small business tax credits for health care coverage that was part of health care reform to ways to secure a loan from the Small Business Administration."

Judith Roussel, the Illinois District Director of the Small Business Administration, said: "The opportunity to accompany Congresswoman Jan Schakowsky on visits with more than a dozen individual small businesses across the 9th

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Congressional District provided an opportunity to find out how they are faring at this stage of economic recovery and to apprise them of the assistance available to them through the SBA."

“While it has been a challenging time for small companies, we found that their flexibility and ingenuity have helped many not only survive, but find niches where they can actually contribute to economic growth.”

Small Business visited and Schakowsky’s statements:

Block Steel and its subsidiary Samson Roll Formed Products – Skokie

A family owned business, Block Steel specializes in aluminized steel and is the country's largest aluminized steel distributor. They serve the automotive, appliance and HVAC industries. Its subsidiary, Samson Roll Formed Products, makes parts for things like jet engine components, refrigerator panels, and patio furniture. Schakowsky and Roussel toured the operating floor and

saw their steel processing technology at work, and also met with company leaders.

"I learned that they are certainly down from their pre-recession peak and they've had to lay off some workers, which is a very bitter pill to swallow for any business," said Schakowsky. "But I was very happy to hear that in spite of all the hardship, they are turning a profit now and the growth in car manufacturing is really helping their business."

"The leadership at Block Steel expressed how important it is to their business that we see growth in American manufacturing. I couldn't agree more. The U.S. House is working to pass legislation that will get the manufacturing engine cranking again, with the Make it in America initiative. It includes the Patriot Corporations of America Act that I introduced, which would close loopholes that encourage corporations to ship jobs overseas, and offer tax incentives to those that create jobs and do the bulk of their research and development here. It's seizing on these opportunities for change that will create jobs and set our economy straight for the long term."

JADE Carpentry Contractors – Chicago (Edison Park)

JADE Carpentry is a subcontractor that specializes in millwork installation including rough and finish carpentry, hollow metal doors and frames, hardware, casework installation, acoustical wall panels and ceilings. JADE Carpentry is a certified Women's Business Enterprise and was

started in 1990 by Judy DeAngelo, the company's president.

"Like the rest of the country's construction industry, JADE Carpentry is really struggling under the weight of the bad economy and the uptick seen in some other sectors has not been felt in this one yet," said Schakowsky. The downturn has made competition for contracts extremely fierce in the construction industry.

"We need to ensure that small businesses like JADE can stay afloat through this economic storm. It's entrepreneurship like Judy DeAngelo's that fuels the engine of our economy, and her savvy and boldness is something that we need to hold up and help out. As a female owner of a construction company, she is fighting to make sure she gets her fair share of jobs.

"DeAngelo's company was designated in March as an SBA 8(a) contractor and she is hopeful that this will allow her to successfully compete for federal contracts and grow her business. She and SBA District Director Judith Roussel discussed the mentor-protégé program that SBA offers, which DeAngelo plans to take advantage of. These connections are critical, as are these important programs to spark business and support the small business owners who drive our economy."

RealNets – Park Ridge

RealNets helps businesses expand their IT options and computer networks. They provide remote and on-site support for software and network maintenance. RealNets also provides web design, software and database development. They employ 8 full time employees and have been in business for 12 years. The owner, Brian Schoen, started the business when he was 18 years old.

"The web design and technology and network services that RealNets provides to businesses is one of the basic foundations of our economy—internet technology," said Schakowsky. "I listened to the struggles this company has faced, including losing nearly half their income in one 3-month period because their manufacturing clients had to cut back. But because they got creative and diversified their business and because owner Brian Schoen brims with entrepreneurial spirit, RealNets is back on the upswing."

"Similar to many individuals and small businesses, their health care premiums have skyrocketed—by 33% in both of the last two years. I think such egregious rate increases by big insurance companies are an example of excessive greed and I've introduced legislation to give authority to Health and Human Services to reject such hikes. In the meantime, however, RealNets may be able to take advantage of a small business tax credit that was part of health care reform and is worth up to 35% of a small business' premium costs. I hope this provision will take some of the edge off of his business overhead."

Produce World Deli & More – Morton Grove

Produce World Deli & More is a European market focusing on produce that offers a wide variety of seasonal fruits and vegetables as well as a full deli, butcher shop, and fish counter. They employ 26 people including quite a few who have been at the store for over a decade—many of whom hail from foreign countries. The Congresswoman enjoyed looking at the wide variety of offerings from across the globe.

“Produce World Deli & More is such a treasure in our district, offering a diverse array of flavors from abroad,” said Schakowsky. “In many ways, it reflects the diversity of our district, which has a very large immigrant population.

“Co-owner Hector Rodriguez tells me they have seen changes in demand for higher-end products—instead of steak, their customers now buy more poultry as families scale down with the bad economy. The business is also facing steep competition from two nearby Wal-Mart stores, a Costco and a Meijer.

“But the inspiring part of their story is that they’re taking a calculated risk and are moving to a bigger space next year in Morton Grovewhere they’ll be able to expand their offerings while adjusting to the changes in demand for particular products. Capital is very tight right now for any

small business, and Hector spoke with SBA District Director Judith Roussel, who joined me for the tour. She will help him look into the possibility of getting an SBA loan that might give them added boost toward improving and adjusting their business.”

Rex Pasta Catering & Italian Deli – Norridge

Rex Pasta Catering & Italian Deli is a family-owned business with four full-time staff. The owner, Anthony Pinello, is also the President of the Harwood Heights-Norwood Chamber of Commerce. The Congresswoman and Roussel met with Pinello over a delicious meal of lasagna, caprese salad, and cannolis—all homemade by Anthony’s mom.

“We sat down with the owner of Rex Pasta Catering & Italian Deli, Anthony Pinello, and dined on a fantastic meal of homemade Italian food made by his mother—how much better does it get?” said Schakowsky. “This is the stuff that community is made of and their family business has thrived over the years because of it.”

“Anthony told me that, in their catering business, they have seen their customers ordering less expensive dishes—a pan of mostacholi instead of meat lasagna, for example. But they have managed to keep up the volume with the frozen and fresh meals that customers pick up and take home.

“And Anthony took advantage of the payroll tax exemption credit that Congress enacted in March with passage of the HIRE Act to stimulate the economy. He’s exempted from the employer share of the Social Security tax on wages he pays in 2010 to the new worker he hired. Small businesses that hire someone who is unemployed, yet don’t replace another employee, are eligible. It was wonderful to see this stimulus program at work in our district, helping Rex Pasta Catering & Italian Deli to stay in the business of serving delicious homemade meals.”

Technology Innovation Center – Evanston

The Technology Innovation Center is a not-for-profit business incubator that supports the growth of very early-stage technology-based businesses. They have 44 client companies on site—in more than 25,000 feet of office, laboratory and light manufacturing space—which creates an entrepreneurial environment and fosters collaboration and sharing among the companies. They were recently named one of Forbes’ “Top 10 Incubators Changing the World.”

Quite a few companies that got their start at TIC have “graduated,” moved out, and are responsible for more than 2,000 jobs in the Chicago area. There are 24 such graduated companies that relocated elsewhere in Evanston and now employ more than 380 full-time people in the city as of August, 2010.

Schakowsky toured five of the businesses—Precision Biomarker, Psylotech, NewMerica, Illumen Group and Atmosphere Communications—and later sat down for a roundtable discussion with representatives from four additional businesses: ReCor Corp., e-Marketing Logic, Taishan Works and Ferveo Technology.

“The Technology Innovation Center in Evanston is an incredible example of one of the strengths of our country’s ability to innovate, create, and lead in the global marketplace,” said Schakowsky. “This environment allows these young technology businesses to collaborate and learn from each other—and hopefully flourish.

“The seeds of what our world will look like in the future are germinating right there in this incubator environment set in the 9th Congressional District. It is a wonderful anchor for expanding the Chicagoland area as one of the nation’s leading technology hubs.

“Touring the facility, I spoke with entrepreneurs at Precision Biomarker who have technology to expedite medical investigators’ research into diseases and potential drugs to treat and cure them. I saw Psylotech, a business that makes precision instruments for use in labs and industrial settings including high-resolution sensors and measuring tools. NewMerica is developing an online portal and retail stores to provide affordable, high-quality access for immigration counseling and processing. Illumen Group is developing a business to support interactive learning, training and marketing for academic institutions and corporations. And Atmosphere Communications is making a play to compete with AT&T and Comcast to provide

technology services in the area from phone service to web development and computer hosting and security systems.

“While many of the business are doing well, challenges persist. Trying to launch a new business or develop a new technology is tricky enough, but doing it in this economic environment is especially tough. Many are competing with bigger companies for investment funding in part because small tech companies tend to have fewer employees, yet fairly far reach in terms of the commerce they do.

“We talked about ways to secure funding with the Small Business Administration and how qualifying for working capital through SBA programs can have its challenges as well. The opportunity to listen to their experiences and challenges was invaluable because among these technology startup companies could be the next Google or Intel. We need to invest as a nation in their success.”

Bredemann Chevrolet – Park Ridge

Bredemann Chevrolet Corporation was started in 1912 by Joseph Bredemann. Today the business, which now encompasses a total of four dealerships, is run by Joseph and his sons with help from other family members. Bredemann Chevrolet employs 39 people, and they have over 300 employees among the four dealerships. General Motors had planned to close Bredemann Chevrolet, along with 1,300 other GM dealerships, by the end of October 2010 but the decision was recently revoked.

"Bredemann Chevrolet is an example of the tightrope that American businesses—and by extension, families—are walking right now," said Schakowsky. "It is a victory that in this punishing economy, Bredemann Chevrolet was brought back from the brink of closure."

"On my tour of the Bredemann Chevrolet showroom and service center, Vice President Joe Bredemann explained that while he doesn't feel the economy has fully turned the corner yet, they've been helped by a steady stream of business in their service center and have kept 39 employees on their payroll."

"It would have been a tragedy to let this family-owned business—which has been an anchor in the area for nearly 100 years—shut down. I'm heartened by the fact that they've fought successfully to keep this significant part of their family business open."